



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Dale E. Foster
Sara L. Hensley

**SUBJECT: CISCO LAND DONATION AND
TRANSFER IN ALVISO**

DATE: 02-25-04

Approved

Date

Council District: 4

RECOMMENDATION

Adoption of a resolution:

- (a) approving an agreement with Cisco Technology Inc., for a donation and transfer of a 15 acre parcel of undeveloped land in the Alviso area to the City and authorizing and directing the City Manager to execute the necessary documents to complete the transaction; and
- (b) authorizing the Director of Public Works to accept and record the deeds associated with this action.

CEQA: EIR Resolution 69636 dated June 6, 2000.

BACKGROUND

On June 6, 2000, the City Council approved a Planned Development Rezoning (PDCSH 99-06-054) of the property located on both sides of North First Street, between the Alviso-Milpitas Road (State Route 237) and Grand Boulevard to allow Cisco Technology Inc., to develop up to 2,325,000 square feet of office industrial uses on 121 gross acres. The development would also establish a 21.7 acre habitat area east of Disk Drive and 10.2 acre open space area along Grand Boulevard as a buffer to the development from the existing residents on Grand Boulevard.

Councilmember Matthews stated at the public hearing held on June 6, 2000, that Cisco Technology Inc. would transfer to the City approximately 16 acres as parkland to buffer Cisco's new campus from the existing residential areas. The proposed transfer, combined with 3.3 acres that City has received from Irvine Properties, would allow the City to potentially increase the size of the existing Alviso Park and expand the recreational opportunities in the Alviso area.

Cisco Technology Inc. filed a Tract Map in February of 2002, which created Parcel 11, the buffer area between the proposed industrial campus and the existing residents. Cisco also provided \$1 million toward the Alviso Youth Center located on North First Street on school property adjacent to Alviso Park. The Youth Center impacted the layout of the existing park and caused the existing soccer field to overlap the existing ballfield, eliminating the potential for simultaneous use.

In November 2002, the voters approved the 911, Fire, Police, Paramedic and Neighborhood Security Act, which provided the Fire Department with Bond funds to upgrade fire stations. Fire Station 25, located on Gold Street in Alviso is an adapted residence serving a crew of four firefighters and is equipped with a single fire engine. The Fire Department Master Plan and the Bond program calls for the development of a new station in the Alviso Area. City staff is proposing to evaluate the location of a fire station on a portion of the donated Parcel 11 as a potential site.

Cisco Technology Inc., in conjunction with KB Homes has submitted a General Plan Amendment request to change the General Plan Designation from Industrial Park with a Mixed Industrial Overlay to Medium Density Residential on 73 acres located on the west side of Disk Drive between Grand Boulevard and Nortech Parkway. This General Plan amendment request is anticipated to be heard this summer.

ANALYSIS

The proposed land donation and transfer of Parcel 11 to the City will bring important benefits to Alviso residents. The transfer will create the buffer area to residential areas proposed in the Alviso Master Plan. Even if the property remains open space, this buffer will remain a benefit to these residents. Moreover, it could provide the City with the option of relocating the existing ballfield in Alviso Park, re-establishing the preferred athletic field alignment that existed before construction of the Alviso Youth Center.

The transfer also provides additional land that could be considered for future recreational facilities to meet the demand for new facilities and activities in this area. The transfer also provides land that the City could consider as a potential future site for a modern fire station to serve the Alviso Area.

Cisco Technology Inc. will donate 6.4 acres of the 15 acres that make up Parcel 11 to the City. This property includes land associated with high-wire power lines and a narrow strip of land situated along Tony Santos Way. In return for 8.6 acres of the property, this agreement would provide Cisco with 8.6 acres of Parkland Dedication Credits under Chapter 14.25 and/or 19.38 of the San Jose Municipal Code for the future housing development associated with General Plan Amendment request, GP03-04-03, scheduled to be heard this summer. This arrangement would

provide Park Dedication Credit for 860 single family detached homes proposed to be built on lands of the original proposed Cisco Campus in Alviso north of Nortech Parkway.

The proposed land donation and transfer will clearly benefit the City and the residents of Alviso. City staff are therefore recommending approval of the agreement with Cisco Technology Inc., transferring Parcel 11 (APN 015-44-013) to City ownership. Staff additionally recommends that the City Council direct the Director of Public Works to accept and record any deeds associated with this land transfer to City ownership.

Following a transfer of the land, the Department of Parks, Recreation and Neighborhood Services will engage Alviso residents in a park master planning process to determine what recreational facilities should be provided and where on the site.

COST IMPLICATIONS

The annual costs of maintaining an acre of developed parkland are estimated at \$15,000 per acre and non-developed land at \$2,000 per acre. If additional development of the site is proposed and approved by Council, the parkland could cost approximately \$90,000 to \$100,000 annually to maintain depending upon the actual park amenities located at the site. These additional General Fund maintenance costs would be factored into the Five-Year General Fund Forecast if and when improvements are planned for construction and incorporated into the annual operating budget for the Parks, Recreation and Neighborhood Services Department.

PUBLIC OUTREACH

The Alviso Master Plan discussed saving this land as a buffer area from new development. The public hearing in front of City Council, held on June 6, 2000, discussed the potential use of this land to expand the recreational opportunities in conjunction with the Irvine parcel and the existing park site.

The potential relocation of the Alviso Fire Station has been discussed with the community and included Council District 4. The community has responded positively to the idea of a fire station relocation.

COORDINATION

Preparation of this recommendation has been coordinated with the City Attorney's Office, City Manager's Office and the Department of Planning, Building and Code Enforcement.

Honorable Mayor and City Council

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Director of Parks, Recreation
and Neighborhood Services

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Attachment